

IT IS ORDERED

Date Entered on Docket: May 28, 2020



The Honorable David T. Thuma
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

ROMAN CATHOLIC CHURCH OF THE
ARCHDIOCESE OF SANTA FE, a New
Mexico corporation sole,

Debtor.

Chapter 11

Case No. 18-13027-t11

**ORDER APPROVING POST-PETITION LENDING PURSUANT TO THE CARES ACT
ON AN EMERGENCY BASIS**

This matter came before the Court on the Motion to Approve Post-Petition Lending Pursuant to the CARES Act on an Emergency Basis filed on April 28, 2020 (Doc. No. 355) (the “Motion”) filed by Roman Catholic Church of the Archdiocese of Santa Fe, Debtor-in-Possession in the above captioned Chapter 11 case (the “Debtor”). Having reviewed the Motion and the record, the Court finds:

1. The Debtor filed its voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code on December 3, 2018 (“Petition Date”).
2. Since the Petition Date, the Debtor has been operating as a Debtor-in-Possession

pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

3. This Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(D).

4. Under the Coronavirus Aid, Relief, and Economic Security Act, H.R. 748 (the “CARES Act”), Congress and the President temporarily added a new program entitled the “Paycheck Protection Program” to the SBA’s 7(a) Loan Program (the “PPP”).

5. On April 28, 2020, the Debtor filed the Motion, seeking an order authorizing the Debtor to take actions necessary to borrow funds pursuant to the CARES Act and the PPP and classifying the balance owed on the loan, to the extent not forgiven pursuant to the CARES Act, as unsecured credit with administrative expense status pursuant to 11 U.S.C. §364(a).

6. It is in the best interest of the Debtor, the creditors and the Debtor’s estate for the Debtor to apply for and obtain a loan under the PPP.

7. The proposed lending is an exercise of sound and reasonable business judgment; no alternative financing is available, as the PPP is unique and unprecedented; the financing is in the best interests of the estate and its creditors; and no better offers, bids, or timely proposals are before the Court.

8. On May 2, 2020, the Debtor served notice of the Motion by mail or by use of the Court’s case management and electronic filing system for the transmission of notices, as authorized by Fed. R.Civ.P. 5(b)(3) and NM LBR 9036-1, on all creditors and other parties in interest shown on the mailing list maintained by the Clerk of the Bankruptcy Court for this case. Pursuant to the Order Shortening Deadline to Object to Debtor’s Motion to Approve Post-Petition Lending Pursuant to the CARES Act on an Emergency Basis entered on May 1, 2020 (Doc. No. 360), the notice specified an objection deadline of 10 days from the date of service, to which three days were added

under Bankruptcy Rule 9006(f).

9. Notice given of the Motion was sufficient in form and content.
10. The objection deadline for the Motion expired on May 15, 2020.
11. No objections to the Motion were filed, timely or otherwise.
12. The Motion is well taken and should be granted.

IT IS THEREFORE ORDERED:

- A. The Motion is granted.
- B. The Debtor is hereby authorized to take any and all actions necessary to borrow funds pursuant to the CARES Act and the PPP.
- C. The balance owed on any loan obtained by the Debtor, to the extent not forgiven pursuant to the CARES Act, shall be classified as unsecured credit with administrative expense status pursuant to 11 U.S.C. §364(a).

###END OF ORDER###

Submitted by:

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/s/ submitted electronically 05/22/2020
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